

# Effect of Unemployment in Nigeria: A Way Forward

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## Abstract

Unemployment rate is a phenomenon that is bedevilling various nations across the globe in varying degrees as it affects policies and development. Mostly, any nation striving towards development must fight the frequency of unemployment rate to the barest minimum. Currently, there has been an upsurge in the frequency of unemployment in Nigeria. This has caused fear among the citizens as security of lives and properties can no longer be guaranteed because idleness is the devils workshop. The phenomenon of unemployment has impacted negatively on the economic, social and political life of the nation. The growing population of any nation represents the driving force for development. Moreso, for the growing population to become useful resources, they must be gainfully employed. Indeed, unemployment is increasing in Nigeria and this could contribute immensely to social problems and unemployment could slow pace of development process. Therefore, this work discusses and proffers solution to unemployment rate and assist in the sectors of development in Nigeria.

**Keywords:** Unemployment, Social Problem, Development, Job Creation, Labour Force

## Introduction

Unemployment has introduced massive movement of people from rural areas to urban area, even outside the country, then causing pressure or overstretching available social infrastructural facilities such as housing, road, water, transport, electricity etc. This has an impediment on growth and development of Nigeria, mainly, many unemployed people roam about the street in search of employment or jobs in labour force. And educational institutions are graduating more students and increasing the population of unemployment.

Okoro (2009), views employment as the central activities in live existence. People are employed for many reasons, to earn a living, to provide sense of identity, to provide integration to the society, but when the society fails to provide employment to an individual the live existence is destroyed or affected.

Unemployment is a global issue that exists within society, but its dominant nature in nations has been a main issue that causes a point of discussion to understand the impact it has on the educated and the uneducated or the skilled and unskilled people, mostly those who are retrenched or retired from public service or private organisation labour markets. Arinze (2013) observes this issue of unemployment as embarrassing and its effect to the national security cannot be overemphasized, this is evident when we look at the high rate of insecurity in the nation. Social vices like bombing, kidnapping, robbery, thurgery, prostitution, corruption have eaten deep into the fabrics of the nation, then, we should study to know the effect of unemployment to the development of our nation, mostly the third world nations.

Sun Daily of 26<sup>th</sup> April, 2012, states that the 23<sup>rd</sup> April, 2012, African Conference held in Lagos to discuss the issue of growing population of unemployment in Africa chaired by Obiageli Ezekwesili, World Bank Vice President, Africa Region. Ezekwesili observes that unemployment in Africa needs to be addressed from many areas. And, investment in human capital in Africa is a critical issue for supplying adequate skilled workers for the development of the continent. But the low level of education is a significant factor in unemployment issue. And unemployment causes social problems that affect socio-economic development. Unemployment in Africa has a geographic dimensions, it is generally greater in the urban areas than in rural areas. Therefore, the unemployment in urban areas has some significant implication on the living standard than in the rural areas where living standards and existence depend on agricultural productivity.

## Statement of the Problem

In Nigeria for several years, in her bid to promote socio-economic growth and development has made consented, action- oriented efforts, a number of specific objectives is geared towards the reduction on the level of unemployment, there have been emphasis on technical education which provides three years of grammar school. Nzekwe (2010) emphasizes that the first three years in secondary school is enough to prepare for gainful employment in the nearest future, those that dropped in three years of junior secondary school could take away vocation of their choice. Unfortunately, there are not enough vocational institutions to absorb them and government have not made any provision to help them start their own business.

Therefore, many who cannot further their education have to join the job seekers population or

unemployed people. The government have introduced different programmes to create employment opportunities such as: operation feed the nation of General Ibrahim Babangida regime, the Green Revolution by President Shehu Shagari which are domesticated in every state of the nation, but despite all these programmes unemployed people in the nation are increasing. There are thousands of graduates from higher institution of learning who roam about in search of job in the street of major cities and this have contributed to the increase in crime and social vices which calls for serious concern of this study. This work would seriously appraise the fundamental problems of unemployed and proffer possible solution to the problems of unemployment, especially on socio-cultural, political and economic development.

### Research Questions

1. What are the main causes of unemployment?
2. What are the effects of unemployment on the people?
3. What are the socio-cultural and economic effects of unemployment on Nigeria?
4. What are the solutions to the problems of unemployment?

### Objectives of the Study

1. To determine the cause of unemployment.
2. To examine the roles of those who are unemployed.
3. To examine the impacts of unemployment to the development of Nigeria.
4. To suggest or proffer solution to the problems of unemployment in the nation.

### Significance of the Study

The study has both theoretical and practical significance. Theoretically, the study enables us to find out the structures, causes, consequences and solution of the effects of unemployment in Nigeria. The study provides the fundamental materials for effective comprehension of the impacts of unemployment in Nigeria. This study is considered as a sound attempt towards an understanding of the real structure of unemployment that impedes socio-cultural, economic and political development in Nigeria. The study is a useful contribution to the body of knowledge already in existence.

Practically, the study is useful to the underdeveloped nations as it serves to assist them to improve on their job creation system. The study will assist third world nations to know how to deal with unemployment issues. The finding of the study will enable scholars to have more insight into the effect of unemployment on the third world nations and this would assist them to improve on their research work.

Finally, government and the general public will benefit from the study. The government will be in a position to make laws that will strengthen the socio-cultural, economic and political integrity of the nation. The study provides the policy makers and relevant agencies the important information and the value methods which are useful to restructure and manage the problems of unemployment on African continent and the third world in general.

### An Overview of Perspective on Unemployment

To the layman, unemployment is a situation when people stay without jobs or a state of joblessness. But sociologist views unemployment based on the individual interest in relationship with labour force as regard in the society or environment he found himself. Ernest (2013) observes unemployment as a state where people who are willing to work at the prevailing wage rate are unable to find jobs. In other words, the people involved must be willing or interested, but people who are not actively seeking paid employment or job should not be counted as unemployed in any given societal labour force.

Okeke (2010), reports that developing nations mixed up two concepts together by their government officials who are always biased. When we discussed unemployment terms, but the issue of underemployment still exist in their nations. He refers to underemployment as underutilized labourers whose productive capacity is below the reasonable potential. Mostly, when the degree in which the people's gainful activities fail to make the maximum use of their productive capacity. While unemployment refers to less than full or zero employment of the labour force or inadequate employment in various sectors of an economy. Therefore, underemployment and unemployment go together as a concept of labour force. The International Labour Organization (ILO, 2012) refers to the unemployment as the members of the economically active population who are without work, but available and seeking work including people who have lost their jobs and those who voluntarily left work.

Nigeria National Bureau of Statistics (NNBS, 2013) the labour force of a nation is a set of citizens or people who are willing and are able to make available at any given point in their effort for gainful employment; while the unemployed are the individuals with no work, but are looking for work at the time of this study. The Central Bank of Nigeria (CBN, 2013) reports that unemployment rate is seen as the percentage of people among the labour force within 15 – 65 years excluding students and those medically unfit available for work but did not

work.

Therefore, unemployment is the situation of worklessness experienced by people who see themselves in labour force and are perceived by others as capable of work and they have spirit of work in them. Unemployed people can be seen as those who have never worked but they are of age and those who have lost their jobs still seeking re-entry into the labour force.

### **Causes of Unemployment in Nigeria**

Micklinley (2014) views that Nigerian Government misunderstood modernization ideology, where they only place priority on theoretical perspective or paper qualification instead of practically ideology of entrepreneurship that create jobs in the society. And, rural areas are totally neglected or abandoned in terms of development, only urban areas are been developed. Then people move greatly to cities for employment opportunities but they never found.

Ade (2012) asserts that Nigeria ethnic orientation create unemployment. Hence, Nigeria employment is based on quota, catchment and settlement systems, instead of merit system that improves the labour market-system and it creates room for better future society. Olu (2014) opines that Nigeria is not moving with modernization wave. Modern era introduce new technology or the use of new machines in industrial production. Indeed, many workers could not find jobs because machines have taken over in industries, where goods are produced at fast speed, larger quantities, unique qualities and price of production are low. Therefore, Nigeria is still an underdeveloped nation for lack of scientific skills to create jobs in industries for workers to be employed.

Musa (2011) explains that Nigerian approach to development or modernization is wrong. Nigerians prefer administrative or clerical office work in the civil service than entrepreneurship or skills. Even, when a person studied a course that could make the person create jobs in the nation, such as Engineering, Law, Medicine, Pharmacy, Business Administration etc.

International Labour Organization (ILO, 2013) views five factors responsible for Nigeria unemployment such as;

Firstly, high level of corruption has robbed the nation strong economic base, inspite of the abundant natural resources. Corruption that exists in every sector of governance is the foundation of unemployment through diversion of funds to personal interest or investment which erodes the economy of the nation through kick backs, misappropriation and misplacement of public funds. And, the establishment of anti-corruption bodies since post independence have been a mere propaganda which has been the governance tradition to deceive the Nigerian citizens. Moses (2012) expresses that corruption has robbed the nation of the chance of losing more than \$600 billion estimated revenue from the sale of oil in the last 55years to develop a sound economy that suppose to generate jobs or employment for the citizens in the various sectors of governance or public.

Secondly, International Labour Organization (ILO, 2012) observes that the nation's education curricula are in appropriate. ILO expresses that higher institutions in Nigeria produces unemployable graduate in labour market, because they lack basic skills required by the labour force. Mostly, Nigeria tertiary educational course contents lack entrepreneurial skills that should enable graduate to becomes employer than employee, job seeker, unemployed, joblessness etc. the Nigeria education sectors or policy makers understood employment as a job with salary and working for someone. This ideology has influenced the educational policy makers that provide school curricula for training of students. In other words, this training system has programme graduates towards lack of entrepreneurship, but seekers of former sector jobs, unfortunately the jobs are not available because attention is not given to skills development.

Thirdly, the existence of continuous decline in the manufacturing sector in Nigeria Manufacturers Association of Nigeria (MAN, 2012) expresses that, more than 913 factories had shut down or collapsed. The MAN reports cover four manufacturing zones in the nation in terms of manufacturing activities. These include the southwest, south- south, south east and northwest areas. According to the survey, the southwest enclave especially, Lagos, experienced 233 manufacturing firms shut down covering Apapa, Ikeja, Ikorodu and other industrial estates in Lagos. Other industrial areas affected in the south west include Ogun, Ekiti, Ondo, Kwara, Kogi and Osun States lost 244 companies that period. In the southeast axis involves Abia, Anambra, Imo and Enugu States, a total number of 197 companies shut down that period. In the Northwest, a total number of 195 manufacturing firms were affected covering Kano and Kaduna States. Lastly, the South-south areas which involve Akwa Ibom, Cross River, Delta, Rivers, a total of 44 manufacturing firms were closed up during the period of this survey 2012. And the remaining operating firms in labour force of Nigeria are classified as being at break-even conditions.

Fourthly, Nigeria has continued to experience rapid population growth rate, the increasing population growth has produced great number of job seekers, causing increase in number of working class population. According to National Population Commission (NPC, 2006); the nation's population was over 140 million. And the population for the future year in 2020 through projection could be over 185 million. In other words, the facts still remains that Nigeria is the most populous nation in the African continent. As a fact, the growth in population rate has caused a high demand rate in the labour market that result to higher growth rate of job seekers that are more than the jobs in supply at the market force.

Lastly, the existence of rapid expansion of the educational system but weak economy to absorb unemployed/graduates. Nigeria government has deregulated establishment of education institution through encouraging the operation of private, missionary and public institutions. However, the establishment of these institutions are not properly funded, but government is still creating rooms for multiplicity in educational institution which causes graduates or unemployed to grow at multiple progression, but employer or jobs are growing at arithmetic progression thereby resulting to increase in unemployment in the nation. ILO (2013) states that the total number of graduates or unemployed in Nigeria in 2012 was over 5.4 million without any hope of getting employment for maintenance living based on the weak economy to absorb the unemployed citizens.

### **Theoretical Framework**

The relevant theory for this study is anomie theory as propounded by Robert Merton (2000). He based his ideology on the societal structure through interest consensusness, a system of shared values and goals. But, individuals in group have difference access to these goals in society. The individual differential patterns to the goal are denied which develops societal deviant behaviour and normlessness.

Therefore, anomies are the breakdown of social norms and a condition where these norms no longer control the activities of the members of the society. There are no clear rules to guide people and individuals cannot understand their real position in the society. And people find it difficult in adjusting to the changing systems of society. Then, individuals in that society develop the attitude of frustration, dissatisfaction conflict to defend themselves. The society becomes normlessness and manifest deviant behaviour.

Merton (2012) expresses that unemployment or unemployed people experience low esteem, frustration and serious want. Therefore, the people involved have different access to employment pattern when they are denied the access to get job, then they develop deviant behaviour. Hence, Merton established five approaches which unemployed people strive to get comfortable or employment in the nation, such as; the first group of unemployed people agree with the societal set norms and values as a standard to get employment. And the people involved agree to follow the standard in order to get employment in the labour market. This group of people are recognized in the society as conformity. They always adopt or agree with goals and accept the means stipulated by society as the only acceptable means to reach the goals of employment.

The second group of unemployed people known as innovation always accept the goals but reject the means of access and find their own systems of reaching the goals. Mostly, people in the lower classes always readily practice this method to be employed in the country. Another group of people called ritualism accept the societal means of employment, but reject success goals. They often lower their reasoning and cannot innovate or work hard to get employment, but remain rejected or lost in the country. Another group of people known as retreatism always with drawn from both the goals and the means of access into the system, then staying without job, cause them to become alcoholics or psychopaths in the nation. Lastly, this group of people is known as rebellion; they reject both the goals and the culturally stipulated systems of achieving the goals. The particular group of people when they are unemployed in a nation, they always engage in guerrilla warfare to achieve their goals or seek employment.

In other words, unemployment distinguishes people by rank into hierarchy and arranges them into strata called social stratifications system. This system exists in grading people or groups into levels of status or prestige. Mostly, the individuals that found themselves below strata are unemployed people who then follow the ideology of Robert Merton to meet up with societal standard through any of the five anomie theory; which not handle well in society causes social problems. Therefore, social problem (insecurity) is a threat to socio-economy of a nation, manifest underdevelopment reduces the quality of life, destroys human, damages relationship between nations.

### **Discussion**

#### **Effect of Unemployment**

Unemployment has effects on both individual and the socio- economic of a nation. Firstly, the unemployed group of people are waste or losses to the national income growth. The unemployed people could have contributed to the economic growth of the nation, but they generate nothing to the productivity of labour and causing reduction to future economy. Also, unemployment is a serious problem to family stability, when husband cannot meet up his marriage responsibilities or obligations. Moreso, unemployment disharmonised man in the society, people lost their self respect and confidence in life; they always depend on their parents, nation, friends etc for their livelihood and makes man to develop the sense of immorality such as alcoholism, prostitution, armed robbery, loss of self actualization, laziness, family crisis, stealing, riots, thuggery, kidnapping, insecurity etc.

Therefore, unemployment is a threat to economic, socio- cultural and security of a nation and a major factor associated with underdevelopment, based on how it discourages foreign investors, reduces the quality of life, destroys human and damages relationships between man and his nation, undermining rule of law to promote development etc.

Mostly, westernization development has negative impacts on socio-cultural values in the society, where



the urbanization is spreading widely or rapidly than improvement in socio-economic activities. In other words, unemployment is a serious threat to a nation. It causes great personal suffering, vast skills damage and places enormous burden on urban social network. Kalu (2009) views unemployment as dehumanising people in the labour market; causing people to involve in fraudulent activities such as cheating, forgery, 419 syndrome, etc. Chika (2014) observes unemployment as a level ground for frustration, dejection and desperation activities that manifest prolific deviant behaviour known as economic fraud in form of international drug smuggling, internet innovation deal, money laundering, 419 racketeering, etc. These dubious activities mean that man must survive in the labour market.

Moreover, unemployment poses a serious threat to a nation's existence and development and if not monitored, it will lead to disastrous result to the nation; through nurturing national income failure; encourages insurgencies in oil pipeline destruction and vandalisation in Niger Delta. Again, unemployment increases the activities of Boko Haram in the Northeast region of Nigeria in destruction of lives and property. These are the factors that influence underdevelopment in a nation. Basically, the resources that would have been invested in increasing output, fund health, education, social welfare services are diverted to control these social problems existence in the country.

### Summary

Unemployment has a serious implication on the effected people's live patterns, mostly their social relationship with the society and equally those of their families who depend on them for survival. Moreover, unemployment causes rural - urban migration as a result of the lack of facilities or social amenities in the rural areas and over utilization of social amenities in urban areas that causes social problems such as crime, prostitution, thuggery, armed robbery, riots, drug smuggling, 419 syndicate, kidnapping, insecurity, etc, which made international community not to respect or recognise Nigerian citizens. Also, Nigeria government focus on oil sector and political development, but neglect agricultural sector that has been the main cause of unemployment in the nation.

Furthermore, the educational policy of Nigeria causes unemployment where government attention on Certificate acquisition more than entrepreneurial acquisition of skills. This ideology encourages people into certificate racketing which made students not been serious in various higher institutions that encourage parading certificate in the nation, than skill acquisition that creates jobs or employment opportunities. Again, certificate acquisition is accusing underutilizing of both human and natural resources that made Nigeria to be among the underdeveloped nations.

Another, Nigeria encourages existence of ethnicity, tribalism and connection systems, where those who qualify for employment are denied the job opportunity because they are not from the geographical regions where the people in-charge of the employment is from. But, those who are connected or of the same region, without merits are given jobs which lead to inefficiency and unproductive system in labour market force causing underdevelopment. Finally, unemployment causes serious problems to the nation, such as hunger, malnutrition, frustration, devaluation of peoples prestige, broken homes, family instability, poverty, sickness, destitute, refugees, etc.

### Recommendations

The eradication or reduction of unemployment in the society determines the development of a nation. Therefore, it is necessary for a nation to eradicate unemployment such as:

Firstly, a nation should control her rate of population growth to create employment and increase the job opportunities to accommodate her citizens in the labour market force. The government should design programmes or measures to control the population of the nation like family planning, sex education, discouraging early marriage, encouragement of monogamy, public enlightenment, legalization of abortion, stiffening immigration laws, encouragement of emigration, mass education, raising school – entering and leaving ages, provision of gainful employment to women, etc.

Secondly, corruption is endemic in the nation; it has permeated the entire fabric of the country. Resources or funds that should be used to establish development or employment generation ventures by the government are embezzled, diverted or misappropriated. Therefore, government should be committed to the eradication or reduction of corruption in the nation in order to effective deploy resources or funds to employment generating ventures and reduce unemployment and control waste of resources in the nation.

Thirdly, government should encourage agriculture by providing soft loans for agricultural production and make sure that the loans are used for the purpose. And government should put in place mechanisms that will encourage financial institutions (banks) to grant loans for entrepreneurs to start small scale business that will sustain them and to develop their skills or potentials and prevent them from indulging in criminal activities or idleness.

Again, the government should redesign the educational system through policies that should encourage or accommodate training or teaching vocational acquisition in high institutions. And students should be encouraged

by government to go into entrepreneurship in order to create employment or job opportunities through provision of soft loans as take-off capital.

Moreover, the government should provide enabling environment for growth and survival of industries, both in the rural and urban areas, to assist in job creation that will reduce unemployed people from congesting the urban areas based on push factor in the rural areas and the urban pull factor which exist in urban areas. And, government should provide basic amenities in the rural area.

Furthermore, the government should base employment on meritocracy, rather than ethnicity, tribalism and connection system to utilize the employee's efficiency and effectiveness for the reduction of high rate of unemployment in the nation. Lastly, government should establish a stable welfare package service for the unemployed rather than wasting the existing resources on white elephant projects that can never be achieved.

## Conclusion

The government of Nigeria should take the issue of unemployment in the nation as a serious national challenge that needs urgent and determined attention. Basically, Nigeria is a victim of unemployment; it has manifested a lot of social problems in the nation such as drug smuggling, internet innovative deal, money laundering, 419 racketeering, insecurity etc, which cannot be solved in short period. This is the reason the issue of unemployment must be addressed seriously, to reduce the cankerworm that has affected our national identity and even influenced our developmental process. The recommendations made when put into practice should boost rapid growth and development of the economy and generate employment for the population.

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